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SUBJECT: CHINA SUPPORTIVE OF TAFT GOODS PROPOSAL

REF: A) BEIJING 00548 B) STATE 12905

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- 11. (SBU) In a March 18 meeting between Assistant United States Trade Representative Tim Stratford and Ministry of Commerce (MOFCOM) WTO Director General Zhang Xiangchen, DG Zhang referenced the February 15 meeting with Econ Minister Counselor Robert Luke and EU Counselor for Trade and Investment Olivier Micol on the United States/EU labeling for textile, apparel, footwear, and travel (TAFT) goods proposal before the WTO (Ref A). DG Zhang said that, following the February 15 meeting, he had internal discussions with the relevant Chinese line ministries. Based on those discussions, Zhang reported that China is inclined to co-sponsor the United States/EU proposal as long as a few specific concerns can be addressed. Zhang said that Chinese negotiators in Geneva would be contacting United States and EU delegations in Switzerland to discuss those concerns.

RANDT